



STATE OF MARYLAND

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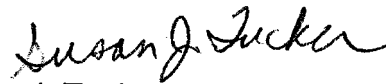
Office of Health Services
Medical Care Programs

Maryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201

Robert L. Ehrlich, Jr., Governor – Michael S. Steele, Lt. Governor – Nelson J. Sabatini, Secretary

TO: Medical Assistance Nursing Facility Providers

FROM: Joseph E. Davis 
Executive Director
Office of Operations, Eligibility and Pharmacy


Susan J. Tucker
Executive Director
Office of Health Services

DATE: June 25, 2004

RE: HIPAA Compliant Nursing Home Billing Instructions for the UB-92
PLEASE NOTE NEW EFFECTIVE DATES

As you know, the Maryland Medical Assistance Program (the Program) is changing its procedure codes and billing formats to comply with the Health Insurance Portability and Accountability Act (HIPAA). We are delaying the implementation date for this change to allow for additional testing by the nursing home industry. However, on and after **October 17, 2004**, claims **MUST** be submitted using revenue codes submitted on either the electronic X12N 837I or the paper UB-92 form.

The Program is delaying implementation because many nursing home providers and their billing software vendors have not tested their electronic claims or have tested using incomplete data. In order to ensure that facilities do not experience a lapse in cash flow after implementation, we urge providers to become more actively involved in the testing process. Testing must be successfully completed before the Program will allow a facility to submit electronic claims after October 17th.

Since the Program is giving the industry ample notice, we will not be held accountable for cash flow problems as a result of failure on the provider's part to complete testing. Please pay particular attention to the two sections of this memo: **Testing of Electronic Transactions** and **Testing Approach for Nursing Homes**.

Paper Transactions

Enclosed are the HIPAA compliant Nursing Home Billing Instructions for the paper UB-92. These instructions discuss procedures for submitting claims on or after **October 17, 2004**. With the exception of the new effective date, these instructions are identical to those sent to your facility in March.



Electronic Transactions

On and after **October 17, 2004**, all electronic transactions must be submitted in the X12N 837I format. Please consult your Information Technology staff or billing software vendor regarding these formats.

Companion Guides, developed by the Medical Assistance Program staff to assist Information Technology staff and billing software vendors with the ASC X12N Transactions, can be found at <http://www.dhmf.state.md.us/hipaa/transandcodesets.html>.

Testing of Electronic Transactions

Providers who send electronic transmissions directly to the Medical Assistance Program must test for HIPAA compliance before they can transmit actual claims. The Medical Assistance Program offers free testing for its trading partners at: <http://www.dhmf.state.md.us/hipaa/testinstruct.html>. This testing tool provides information on test files and errors.

Please ensure that your information technology staff or billing software vendor have started the testing process and are testing using the instructions below. It generally takes providers over a month to complete testing.

Testing Approach For Nursing Homes

- Submit test claims **separately** for both current dates of service and for **October 2004** dates of service. **A facility's electronic claims WILL NOT be moved into production until successful testing has been completed with live data for both pre and post October 2004 dates of service.** This will allow verification of billing approach used for service dates prior to **October 1** and service dates on or after **October 1**.

Test claims with dates of service prior to **October 1** will be processed and reported separately from test claims with service dates on or after **October 1**.

To simplify verification of test results, we recommend that you submit a previous month's production claims in the new format.

- We will process Nursing Home test claims weekly. An 835 remittance will be available, if requested, for test claims received by noon Friday on the following Wednesday.

Trading Partner Agreement and Submitter Identification Form

If you have not yet done so, please return a completed Trading Partner Agreement and Submitter Identification Form. The Medical Assistance Program must have both the Trading Partner Agreement and Submitter Identification Form on file before accepting any HIPAA transactions including X12N 837 (Claims).

Mail completed forms to:

Rita Tate
201 W. Preston St. Rm. LL3
Baltimore MD 21201
Attn: HIPAA Billing Agreements

If you have any questions about the paper UB-92 billing instructions, please call Stephen Hiltner, Supervisor Nursing Home Program at 410-767-1447. The testing URL listed above (<http://www.dhmd.state.md.us/hipaa/testinstruct.html>), provides an email address for questions regarding testing.